

Act No. 91
 Public Acts of 2007
 Approved by the Governor
 October 1, 2007
 Filed with the Secretary of State
 October 1, 2007
 EFFECTIVE DATE: October 1, 2007

**STATE OF MICHIGAN
 94TH LEGISLATURE
 REGULAR SESSION OF 2007**

Introduced by Senator Jelinek

ENROLLED SENATE BILL No. 772

AN ACT to make interim general appropriations for various state departments and agencies, capital outlay, the legislative branch, the judicial branch, and certain other purposes for the period of October 1, 2007 to October 31, 2007; to provide for the expenditure of the appropriations; to provide for the disposition of fees and other income received by various state departments and agencies; to provide for the appointment of special committees; and to declare the effect of this act.

The People of the State of Michigan enact:

PART 1

Sec. 1. (1) To eliminate any possible disturbance of normal state fiscal operations which will occur if the 2007-2008 appropriations bills are not enacted into law by October 1, 2007 and to provide for the uninterrupted continuous operations of state government, there is appropriated for the various state departments and agencies, capital outlay, the legislative branch, the judicial branch, and certain other purposes, for the period from October 1, 2007 to October 31, 2007, the amounts authorized in this act.

(2) The expenditure of the interim appropriations authorized under this act shall be predicated on activities, programs, or projects for which appropriations were authorized for the fiscal year ending September 30, 2007:

APPROPRIATION SUMMARY:

Full-time equated unclassified positions	181.5	
Full-time equated classified positions	56,269.3	
Full-time equated exempted positions.....	509.0	
GROSS APPROPRIATION		\$ 2,751,384,400
Total interdepartmental grants and intradepartmental transfers		59,405,700
ADJUSTED GROSS APPROPRIATION		\$ 2,691,978,700
Total federal revenues		995,471,700
Total local revenues		33,566,500
Total private revenues.....		7,314,200
Total other state restricted revenues		678,267,400
State general fund/general purpose		\$ 977,358,900

Sec. 102. DEPARTMENT OF AGRICULTURE

Full-time equated unclassified positions	6.0	
Full-time equated classified positions	682.0	
Operations, grants, and services.....		\$ 9,186,000
GROSS APPROPRIATION		\$ 9,186,000
Appropriated from:		
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		864,000

For the Period of
Oct. 1, 2007 to
Oct. 31, 2007

Federal revenues:	
Total federal revenues	\$ 1,961,900
Special revenue funds:	
Total private revenues.....	15,300
Total other state restricted revenues	3,983,600
State general fund/general purpose	\$ 2,361,200

Sec. 103. DEPARTMENT OF ATTORNEY GENERAL

Full-time equated unclassified positions	6.0
Full-time equated classified positions.....	559.0
Operations, grants, and services.....	\$ 5,428,900
GROSS APPROPRIATION	\$ 5,428,900

Appropriated from:

Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers	1,128,300
Federal revenues:	
Total federal revenues	830,100
Special revenue funds:	
Total other state restricted revenues	931,300
State general fund/general purpose	\$ 2,539,200

Sec. 104. CAPITAL OUTLAY

Operations, grants, and services.....	\$ 18,297,700
GROSS APPROPRIATION	\$ 18,297,700

Appropriated from:

Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers	166,700
Federal revenues:	
Total federal revenues	12,602,500
Special revenue funds:	
Total local revenues	1,054,000
Total other state restricted revenues	4,474,500
State general fund/general purpose	\$ 0

Sec. 105. DEPARTMENT OF CIVIL RIGHTS

Full-time equated unclassified positions	5.0
Full-time equated classified positions.....	136.0
Operations, grants, and services.....	\$ 1,154,400
GROSS APPROPRIATION	\$ 1,154,400

Appropriated from:

Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers	18,400
Federal revenues:	
Total federal revenues	127,800
Special revenue funds:	
Total other state restricted revenues	4,600
State general fund/general purpose	\$ 1,003,600

Sec. 106. COMMUNITY COLLEGES

Operations, grants, and services.....	\$ 26,352,700
Funding delay repayment	25,759,800
GROSS APPROPRIATION	\$ 52,112,500

Appropriated from:

State general fund/general purpose	\$ 52,112,500
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Sec. 107. DEPARTMENT OF COMMUNITY HEALTH

Full-time equated unclassified positions	6.0
Full-time equated classified positions.....	4,666.1

	For the Period of Oct. 1, 2007 to Oct. 31, 2007
Operations, grants, and services.....	\$ 950,371,000
GROSS APPROPRIATION.....	\$ 950,371,000
Appropriated from:	
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers	2,997,300
Federal revenues:	
Total federal revenues	511,378,700
Special revenue funds:	
Total local revenues	20,062,100
Total private revenues.....	5,398,100
Total other state restricted revenues	148,424,000
State general fund/general purpose	\$ 262,110,800

Sec. 108. DEPARTMENT OF CORRECTIONS

Full-time equated unclassified positions	16.0
Full-time equated classified positions.....	17,782.0
Operations, grants, and services.....	\$ 162,801,900
GROSS APPROPRIATION.....	\$ 162,801,900
Appropriated from:	
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers	103,200
Federal revenues:	
Total federal revenues	952,600
Special revenue funds:	
Total local revenues	35,100
Total other state restricted revenues	5,648,700
State general fund/general purpose	\$ 156,062,300

Sec. 109. DEPARTMENT OF EDUCATION

Full-time equated unclassified positions	6.0
Full-time equated classified positions.....	454.5
Operations, grants, and services.....	\$ 7,804,700
GROSS APPROPRIATION.....	\$ 7,804,700
Appropriated from:	
Federal revenues:	
Total federal revenues	5,852,900
Special revenue funds:	
Total local revenues	497,900
Total private revenues.....	242,900
Total other state restricted revenues	640,300
State general fund/general purpose	\$ 570,700

Sec. 110. DEPARTMENT OF ENVIRONMENTAL QUALITY

Full-time equated unclassified positions	6.0
Full-time equated classified positions.....	1,561.7
Operations, grants, and services.....	\$ 35,222,400
GROSS APPROPRIATION.....	\$ 35,222,400
Appropriated from:	
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers	1,513,000
Federal revenues:	
Total federal revenues	11,473,600
Special revenue funds:	
Total private revenues.....	37,500
Total other state restricted revenues	19,632,700
State general fund/general purpose	\$ 2,565,600

Sec. 111. EXECUTIVE OFFICE

Full-time equated unclassified positions	10.0	
Full-time equated classified positions	74.2	
Operations, grants, and services		\$ 439,400
GROSS APPROPRIATION		<u>\$ 439,400</u>
Appropriated from:		
State general fund/general purpose		\$ 439,400

Sec. 112. HIGHER EDUCATION

Full-time equated classified positions	1.0	
Operations, grants, and services		\$ 159,955,300
Funding delay repayment		<u>138,736,000</u>
GROSS APPROPRIATION		<u>\$ 298,691,300</u>
Appropriated from:		
Federal revenues:		
Total federal revenues		272,700
Special revenue funds:		
Total other state restricted revenues		14,518,100
State general fund/general purpose		\$ 283,900,500

Sec. 113. DEPARTMENT OF HISTORY, ARTS, AND LIBRARIES

Full-time equated unclassified positions	6.0	
Full-time equated classified positions	232.0	
Operations, grants, and services		\$ 4,192,400
GROSS APPROPRIATION		<u>\$ 4,192,400</u>
Appropriated from:		
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		6,600
Federal revenues:		
Total federal revenues		698,700
Special revenue funds:		
Total private revenues		48,100
Total other state restricted revenues		215,000
State general fund/general purpose		\$ 3,224,000

Sec. 114. DEPARTMENT OF HUMAN SERVICES

Full-time equated unclassified positions	5.0	
Full-time equated classified positions	10,383.4	
Operations, grants, and services		\$ 375,023,900
GROSS APPROPRIATION		<u>\$ 375,023,900</u>
Appropriated from:		
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		366,900
Federal revenues:		
Total federal revenues		258,065,400
Special revenue funds:		
Total local revenues		5,177,500
Total private revenues		842,900
Total other state restricted revenues		4,934,800
State general fund/general purpose		\$ 105,636,400

Sec. 115. DEPARTMENT OF INFORMATION TECHNOLOGY

Full-time equated unclassified positions	6.0	
Full-time equated classified positions	1,776.4	
Operations, grants, and services		\$ 31,237,200
GROSS APPROPRIATION		<u>\$ 31,237,200</u>
Appropriated from:		
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		31,237,200
State general fund/general purpose		\$ 0

Sec. 116. JUDICIARY

Full-time equated exempted positions.....	509.0	
Operations, grants, and services.....		\$ 21,527,300
GROSS APPROPRIATION.....		\$ 21,527,300
Appropriated from:		
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		213,600
Federal revenues:		
Total federal revenues		510,500
Special revenue funds:		
Total local revenues		368,800
Total private revenues.....		70,200
Total other state restricted revenues		7,322,300
State general fund/general purpose		\$ 13,041,900

Sec. 117. DEPARTMENT OF LABOR AND ECONOMIC GROWTH

Full-time equated unclassified positions	58.5	
Full-time equated classified positions	4,236.5	
Operations, grants, and services.....		\$ 105,153,100
GROSS APPROPRIATION.....		\$ 105,153,100
Appropriated from:		
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		1,920,000
Federal revenues:		
Total federal revenues		67,498,400
Special revenue funds:		
Total local revenues		1,316,200
Total private revenues.....		192,800
Total other state restricted revenues		30,452,200
State general fund/general purpose		\$ 3,773,500

Sec. 118. LEGISLATURE

Senate		\$ 2,603,800
Senate fiscal agency		251,100
House of representatives		3,905,700
House fiscal agency		249,700
Legislative council.....		812,900
Legislative service bureau automated data processing.....		114,600
General nonretirement expenses		377,800
Capitol building		197,000
Cora Anderson building.....		680,300
Farnum building and other properties		80,700
GROSS APPROPRIATION.....		\$ 9,273,600
Appropriated from:		
Special revenue funds:		
Total private revenues.....		33,300
Total other state restricted revenues		92,500
State general fund/general purpose		\$ 9,147,800

Sec. 119. LEGISLATIVE AUDITOR GENERAL

Operations, grants, and services.....		\$ 1,258,900
GROSS APPROPRIATION.....		\$ 1,258,900
Appropriated from:		
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		150,100
Special revenue funds:		
Total other state restricted revenues		128,300
State general fund/general purpose		\$ 980,500

Sec. 120. DEPARTMENT OF MANAGEMENT AND BUDGET

Full-time equated unclassified positions	7.0	
Full-time equated classified positions	992.5	
Operations, grants, and services.....		\$ 22,521,700
State building authority rent.....		37,596,900
GROSS APPROPRIATION		<u>\$ 60,118,600</u>
Appropriated from:		
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		13,336,600
Federal revenues:		
Total federal revenues		372,000
Special revenue funds:		
Total local revenues		141,700
Total private revenues.....		12,500
Total other state restricted revenues		5,294,800
State general fund/general purpose		<u>\$ 40,961,000</u>

Sec. 121. MICHIGAN STRATEGIC FUND

Full-time equated classified positions	152.0	
Operations, grants, and services.....		\$ 7,152,200
GROSS APPROPRIATION		<u>\$ 7,152,200</u>
Appropriated from:		
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		6,600
Federal revenues:		
Total federal revenues		4,632,100
Special revenue funds:		
Total local revenues		58,300
Total other state restricted revenues		400
State general fund/general purpose		<u>\$ 2,454,800</u>

Sec. 122. DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

Full-time equated unclassified positions	7.0	
Full-time equated classified positions	1,015.0	
Operations, grants, and services.....		\$ 10,313,500
GROSS APPROPRIATION		<u>\$ 10,313,500</u>
Appropriated from:		
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		138,700
Federal revenues:		
Total federal revenues		4,442,300
Special revenue funds:		
Total local revenues		104,400
Total private revenues.....		120,100
Total other state restricted revenues		2,233,000
State general fund/general purpose		<u>\$ 3,275,000</u>

Sec. 123. DEPARTMENT OF NATURAL RESOURCES

Full-time equated unclassified positions	6.0	
Full-time equated classified positions	2,086.4	
Operations, grants, and services.....		\$ 23,602,500
GROSS APPROPRIATION		<u>\$ 23,602,500</u>
Appropriated from:		
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		301,600
Federal revenues:		
Total federal revenues		3,547,900
Special revenue funds:		
Total private revenues.....		260,400

	For the Period of Oct. 1, 2007 to Oct. 31, 2007
Total other state restricted revenues	\$ 17,468,500
State general fund/general purpose	\$ 2,024,100
 Sec. 124. DEPARTMENT OF STATE	
Full-time equated unclassified positions	6.0
Full-time equated classified positions	1,853.8
Operations, grants, and services	\$ 16,565,300
GROSS APPROPRIATION	\$ 16,565,300
Appropriated from:	
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers	1,666,700
Federal revenues:	
Total federal revenues	266,000
Special revenue funds:	
Total private revenues	100
Total other state restricted revenues	13,152,700
State general fund/general purpose	\$ 1,479,800
 Sec. 125. DEPARTMENT OF STATE POLICE	
Full-time equated unclassified positions	3.0
Full-time equated classified positions	2,892.0
Operations, grants, and services	\$ 47,206,800
GROSS APPROPRIATION	\$ 47,206,800
Appropriated from:	
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers	2,154,600
Federal revenues:	
Total federal revenues	14,111,800
Special revenue funds:	
Total local revenues	705,100
Total private revenues	40,000
Total other state restricted revenues	9,929,800
State general fund/general purpose	\$ 20,265,500
 Sec. 126. STATE TRANSPORTATION DEPARTMENT	
Full-time equated unclassified positions	6.0
Full-time equated classified positions	3,030.3
Operations, grants, and services	\$ 266,714,300
Debt service	17,060,400
GROSS APPROPRIATION	\$ 283,774,700
Appropriated from:	
Federal revenues:	
Total federal revenues	92,913,600
Special revenue funds:	
Total local revenues	3,958,300
Total other state restricted revenues	186,902,800
State general fund/general purpose	\$ 0
 Sec. 127. DEPARTMENT OF TREASURY	
Full-time equated unclassified positions	9.0
Full-time equated classified positions	1,697.5
Operations, grants, and services	\$ 32,595,200
Debt service	2,100,000
Constitutional state general revenue sharing grants	112,326,000
Statutory state general revenue sharing grants	66,453,000
GROSS APPROPRIATION	\$ 213,474,200
Appropriated from:	
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers	1,115,600

Federal revenues:		
Total federal revenues	\$	2,960,200
Special revenue funds:		
Total local revenues		87,100
Total other state restricted revenues		201,882,500
State general fund/general purpose	\$	7,428,800

PART 2

Sec. 201. (1) Upon enactment of the respective full fiscal year appropriation acts for the fiscal year ending September 30, 2008, authority for interim appropriations authorized by this act for a department or other purpose shall terminate.

(2) All obligations incurred and expenditures made under this act shall become the obligations and expenditures authorized under the appropriate line items in the respective full fiscal year appropriation act.

Sec. 203. (1) There is created a special committee of the house of representatives to consist of 5 members and a special committee of the senate to consist of 5 members to be appointed in the same manner as standing committees of the house of representatives and senate are appointed. The 2 committees shall function during the 2007 regular session of the legislature and until October 31, 2007. After consulting with and receiving advice from the special committees of the house of representatives and senate, the state budget director shall recommend for approval to the state administrative board allotments as the state budget director considers necessary to fulfill the intent of this act and balance spending with estimates of current available revenues. The state budget director shall transmit a written report to each member of the senate and house of representatives appropriations committees listing any allotments made under this section which deviate from the amounts authorized in this act to the various departments, agencies, boards, commissions, offices, and for other purposes for the fiscal year ending September 30, 2007.

(2) The state budget director shall report to and provide data relating to the current status of authorized allotments to the appropriate committee, when requested by the chairperson of the house of representatives or senate appropriations committee.

DEPARTMENT OF CIVIL RIGHTS

Sec. 350. (1) In addition to the appropriations contained in part 1, the department of civil rights may receive and expend funds from local or private sources for all of the following purposes:

- (a) Developing and presenting training for employers on equal employment opportunity law and procedures.
- (b) The publication and sale of civil rights related informational material.
- (c) The provision of copy material made available under freedom of information requests.
- (d) Other copy fees, subpoena fees, and witness fees.
- (e) Developing, presenting, and participating in mediation processes for certain civil rights cases.
- (f) Workshops, seminars, and recognition or award programs consistent with the programmatic mission of the individual unit sponsoring or coordinating the programs.

(2) The department of civil rights shall annually report to the state budget director, the senate and house of representatives standing committees on appropriations, and the senate and house fiscal agencies the amount of funds received and expended for purposes authorized under this section.

DEPARTMENT OF COMMUNITY HEALTH

Sec. 375. A county required under the provisions of the mental health code, 1974 PA 258, MCL 330.1001 to 330.2106, to provide matching funds to a CMHSP for mental health services rendered to residents in its jurisdiction shall pay the matching funds in equal installments on not less than a quarterly basis throughout the fiscal year, with the first payment being made by October 1, 2007.

Sec. 376. The department may make available to interested entities customized listings of nonconfidential information in its possession, such as names and addresses of licensees. The department may establish and collect a reasonable charge to provide this service. The revenue received from this service shall be used to offset expenses to provide the service. Any balance of this revenue collected and unexpended at the end of the fiscal year shall revert to the appropriate restricted fund.

Sec. 377. If a county that has participated in a district health department or an associated arrangement with other local health departments takes action to cease to participate in such an arrangement after October 1, 2007, the department shall have the authority to assess a penalty from the local health department's operational accounts in an amount equal to no more than 5% of the local health department's local public health operations funding. This penalty shall only be assessed to the local county that requests the dissolution of the health department.

Sec. 378. (1) Funds appropriated in part 1 for local public health operations shall be prospectively allocated to local health departments to support immunizations, infectious disease control, sexually transmitted disease control and prevention, hearing screening, vision services, food protection, public water supply, private groundwater supply, and on-site sewage management. Food protection shall be provided in consultation with the Michigan department of agriculture. Public water supply, private groundwater supply, and on-site sewage management shall be provided in consultation with the Michigan department of environmental quality.

(2) Local public health departments will be held to contractual standards for the services in subsection (1).

(3) Distributions in subsection (1) shall be made only to counties that maintain local spending in fiscal year 2007-2008 of at least the amount expended in fiscal year 1992-1993 for the services described in subsection (1).

(4) By April 1, 2008, the department shall make available upon request a report to the senate or house of representatives appropriations subcommittee on community health, the senate or house fiscal agency, or the state budget director on the planned allocation of the funds appropriated for local public health operations.

Sec. 379. The area agencies and local providers may receive and expend fees for the provision of day care, care management, respite care, and certain eligible home- and community-based services. The fees shall be based on a sliding scale, taking client income into consideration. The fees shall be used to expand services.

Sec. 380. (1) For care provided to medical services recipients with other third-party sources of payment, medical services reimbursement shall not exceed, in combination with such other resources, including Medicare, those amounts established for medical services-only patients. The medical services payment rate shall be accepted as payment in full. Other than an approved medical services copayment, no portion of a provider's charge shall be billed to the recipient or any person acting on behalf of the recipient. Nothing in this section shall be considered to affect the level of payment from a third-party source other than the medical services program. The department shall require a nonenrolled provider to accept medical services payments as payment in full.

(2) Notwithstanding subsection (1), medical services reimbursement for hospital services provided to dual Medicare/medical services recipients with Medicare part B coverage only shall equal, when combined with payments for Medicare and other third-party resources, if any, those amounts established for medical services-only patients, including capital payments.

Sec. 381. (1) For fee-for-service recipients who do not reside in nursing homes, the pharmaceutical dispensing fee shall be \$2.50 or the pharmacy's usual or customary cash charge, whichever is less. For nursing home residents, the pharmaceutical dispensing fee shall be \$2.75 or the pharmacy's usual or customary cash charge, whichever is less.

(2) The department shall require a prescription copayment for Medicaid recipients of \$1.00 for a generic drug and \$3.00 for a brand-name drug, except as prohibited by federal or state law or regulation.

Sec. 382. (1) The department shall use procedures and rebates amounts specified under section 1927 of title XIX, 42 USC 1396r-8, to secure quarterly rebates from pharmaceutical manufacturers for outpatient drugs dispensed to participants in the MICHild program, maternal outpatient medical services program, children's special health care services, and adult benefit waiver program.

(2) For products distributed by pharmaceutical manufacturers not providing quarterly rebates as listed in subsection (1), the department may require preauthorization.

Sec. 383. (1) The department shall require copayments on dental, podiatric, chiropractic, vision, and hearing aid services provided to Medicaid recipients, except as prohibited by federal or state law or regulation.

(2) Except as otherwise prohibited by federal or state law or regulations, the department shall require Medicaid recipients to pay the following copayments:

(a) Two dollars for a physician office visit.

- (b) Six dollars for a hospital emergency room visit.
- (c) Fifty dollars for the first day of an inpatient hospital stay.
- (d) One dollar for an outpatient hospital visit.

Sec. 384. An institutional provider that is required to submit a cost report under the medical services program shall submit cost reports completed in full within 5 months after the end of its fiscal year.

Sec. 385. All nursing home rates, class I and class III, must have their respective fiscal year rate set 30 days prior to the beginning of their rate year. Rates may take into account the most recent cost report prepared and certified by the preparer, provider corporate owner or representative as being true and accurate, and filed timely, within 5 months of the fiscal year end in accordance with Medicaid policy. If the audited version of the last report is available, it shall be used. Any rate factors based on the filed cost report may be retroactively adjusted upon completion of the audit of that cost report.

Sec. 386. (1) As may be allowed by federal law or regulation, the department may use funds provided by a local or intermediate school district, which have been obtained from a qualifying health system, as the state match required for receiving federal Medicaid or children health insurance program funds. Any such funds received shall be used only to support new school-based or school-linked health services.

(2) A qualifying health system is defined as any health care entity licensed to provide health care services in the state of Michigan, that has entered into a contractual relationship with a local or intermediate school district to provide or manage school-based or school-linked health services.

Sec. 387. The funds appropriated in part 1 for forensic mental health services provided to the department of corrections are in accordance with the interdepartmental plan developed in cooperation with the department of corrections. The department is authorized to receive and expend funds from the department of corrections in addition to the appropriations in part 1 to fulfill the obligations outlined in the interdepartmental agreements.

DEPARTMENT OF CORRECTIONS

Sec. 400. The department may charge fees and collect revenues in excess of appropriations in part 1 not to exceed the cost of offender services and programming, employee meals, parolee loans, academic/vocational services, custody escorts, compassionate visits, union steward activities, public work programs, and services provided to units of government. The revenues and fees collected are appropriated for all expenses associated with these services and activities.

Sec. 406. (1) The department shall administer a county jail reimbursement program from the funds appropriated in part 1 for the purpose of reimbursing counties for housing in jails felons who otherwise would have been sentenced to prison.

(2) The county jail reimbursement program shall reimburse counties for housing and custody of convicted felons if the conviction was for a crime committed on or after January 1, 1999 and 1 of the following applies:

(a) The felon's sentencing guidelines recommended range upper limit is more than 18 months, the felon's sentencing guidelines recommended range lower limit is 12 months or less, the felon's prior record variable score is 35 or more points, and the felon's sentence is not for commission of a crime in crime class G or crime class H under chapter XVII of the code of criminal procedure, 1927 PA 175, MCL 777.1 to 777.69.

(b) The felon's minimum sentencing guidelines range minimum is more than 12 months.

(3) State reimbursement under this section for prisoner housing and custody expenses per diverted offender shall be \$43.50 per diem for up to a 1-year total.

DEPARTMENT OF EDUCATION

Sec. 425. (1) Upon receipt of the federal drug-free grant, the department shall allocate \$225,000.00 of the grant to the safe school program within the department. The safe school program shall work with local school boards, parents of enrolled students, law enforcement agencies, community leaders, and the office of drug control policy for the prevention of school violence. The safe school program shall develop and implement, and serve as coordinator of, a statewide clearinghouse for information, program development, model programs and policies, and technical assistance on school violence prevention.

(2) To accomplish its functions under this section, the safe school program shall do all of the following:

(a) Coordinate with the office of drug control policy in the department of community health to ensure that there is a meaningful linkage between the efforts under this act to provide safe schools and the initiatives undertaken through that office, including, but not limited to, school districts' safe and drug-free school plans, and to facilitate timely applications for and distribution of available grant money.

(b) Provide through the Internet the availability to access, and provide through the Internet information regarding, the state model policy on locker searches, the state model policy on firearm safety and awareness, and any other state or local safety policies that the office considers exemplary.

(c) Advance, promote, and encourage the awareness and use of the state police anti-violence hotline.

Sec. 427. For each student enrolled at the Michigan schools for the deaf and blind, the department shall assess the intermediate school district of residence 100% of the cost of operating the student's instructional program. The amount shall exclude room and board related costs and the cost of weekend transportation between the school and the student's home.

Sec. 429. (1) The department may assess rent or lease excess property located on the campus of the Michigan schools for the deaf and blind in Flint to private or publicly funded organizations.

(2) In addition to those funds appropriated in part 1, the department may receive and expend additional funds from lease agreements at the Michigan schools for the deaf and blind Flint campus that have been negotiated with the approval of the department of management and budget. These funds are appropriated to the department for the operation, maintenance, and renovation expenses associated with the leased space.

DEPARTMENT OF ENVIRONMENTAL QUALITY

Sec. 450. (1) The department of environmental quality is authorized to expend amounts remaining from the current and prior fiscal year appropriations to meet funding needs of legislatively approved sites for the environmental cleanup and redevelopment program and the leaking underground storage tank cleanup program.

(2) Unexpended and unencumbered amounts remaining from appropriations from the environmental protection bond fund contained in 2003 PA 173 and 2006 PA 343 are appropriated for expenditure for any site listed in this act and any site listed in the public acts referenced in this section.

(3) Unexpended and unencumbered amounts remaining from appropriations from the cleanup and redevelopment fund and unclaimed bottle deposits fund contained in 2003 PA 171, 2003 PA 173, 2003 PA 237, and 2004 PA 350 are appropriated for expenditure for any site listed in this act and any site listed in the public acts referenced in this section.

(4) Unexpended and unencumbered amounts remaining from appropriations from the clean Michigan initiative fund - response activities contained in 2000 PA 52, 2001 PA 120, 2003 PA 173, 2003 PA 237, 2004 PA 309, 2004 PA 350, 2005 PA 11, and 2006 PA 343 are appropriated for expenditure for any site listed in this act and any site listed in the public acts referenced in this section.

(5) Unexpended and unencumbered amounts remaining from appropriations from the environmental protection fund contained in 2001 PA 43, 2002 PA 520, 2003 PA 171, and 2004 PA 350 are appropriated for expenditure for any site listed in this act and any site listed in the public acts referenced in this section.

(6) Unexpended and unencumbered amounts remaining from appropriations from the refined petroleum fund activities contained in 2005 PA 154 and 2006 PA 343 are appropriated for expenditure for any site listed in this act and any site listed in the public acts referenced in this section.

DEPARTMENT OF HISTORY, ARTS, AND LIBRARIES

Sec. 500. (1) The department may provide and enter into agreements to provide general services, training, meetings, information, special equipment, software, and facility use, and technical consulting services to other principal executive departments, state agencies, local units of government, the judicial branch of government, other organizations, and patrons of department facilities. Fees for services shall be reasonably related to the cost of providing the services and shall be used to offset the costs of the services. The department may receive and expend funds in addition to those authorized in part 1 for the following:

(a) Supplying census-related information and technical services, publications, statistical studies, population projections and estimates, and other demographic products.

- (b) Microfilming and other document and data imaging services, media, storage, and copies.
 - (c) Patron copier and document reproduction services and copies.
 - (d) Conferences, training classes, exhibits, programs, and workshops conducted as part of the department's mission.
 - (e) Use of specialized equipment, facilities, and software that permit distance learning and meetings, and group decision making.
 - (f) Special services including the rental of department exhibits and collections.
 - (g) Application fees.
 - (h) Grants, gifts, and bequests, including those for capital projects.
- (2) The funds received under this section shall be deposited in and expended from the history, arts, and libraries fund established in section 216 of this article.

Sec. 516. (1) A fund known as the history, arts, and libraries fund is created in the department. The fund shall be used to receive and expend funds in addition to those authorized in part 1. The fund balance may be carried forward for expenditure in subsequent fiscal years.

(2) The department shall provide a report to the senate and house of representatives appropriations subcommittees on history, arts, and libraries of all revenues to and expenditures from the history, arts, and libraries fund. The report shall include an estimated fund balance for the fiscal year ending September 30, 2007. The report is due November 1, 2007.

Sec. 520. Funds collected by the department under sections 3, 6, 7, and 7a of 1913 PA 271, MCL 399.3, 399.6, 399.7, and 399.7a, are appropriated to the department for the purposes for which they were received, are allocated for expenditure upon receipt and may be carried forward for expenditure in subsequent fiscal years.

DEPARTMENT OF HUMAN SERVICES

Sec. 550. From the funds appropriated in part 1 for foster care, the department shall provide 50% reimbursement to Indian tribal governments for foster care expenditures for children who are under the jurisdiction of Indian tribal courts and who are not otherwise eligible for federal foster care cost sharing.

Sec. 552. Agencies receiving teenage parent counseling funds shall provide at least 10% in matching funds, through any combination of local, state, or federal funds or in-kind or other donations.

Sec. 554. From the funds appropriated in part 1, the department shall make claims for and pay to local units of government a portion of federal title IV-E revenues earned as a result of eligible costs incurred by local units of government.

Sec. 556. Counties shall be subject to 50% charge-back for the use of alternative regional detention services, if those detention services do not fall under the basic provision of section 117e of the social welfare act, 1939 PA 280, MCL 400.117e, or if a county operates those detention services programs primarily with professional rather than volunteer staff.

Sec. 558. (1) The appropriations in part 1 assume a total federal child support incentive payment of \$26,500,000.00.

(2) From the federal money received for child support incentive payments, \$12,000,000.00 shall be retained by the state and expended for child support program expenses.

(3) From the federal money received for child support incentive payments, \$14,500,000.00 shall be paid to the counties based on each county's performance level for each of the federal performance measures as established in the code of federal regulations, CFR 45.305.2.

(4) If the child support incentive payment to the state from the federal government is greater than \$26,500,000.00, then 100% of the excess shall be retained by the state and is appropriated until the total retained by the state reaches \$15,397,400.00.

(5) If the child support incentive payment to the state from the federal government is greater than the amount needed to satisfy the provisions identified in subsections (1), (2), (3), and (4), the additional funds shall be subject to appropriation by the legislature.

(6) If the child support incentive payment to the state from the federal government is less than \$26,500,000.00, then the state and county share shall each be reduced by 50% of the shortfall.

Sec. 560. The department shall assess fees in the licensing and regulation of child care organizations as defined in 1973 PA 116, MCL 722.111 to 722.128, and adult foster care facilities as defined in the adult foster care facility licensing act, 1979 PA 218, MCL 400.701 to 400.737. Fees collected by the department shall be used exclusively for the purpose of licensing and regulating child care organizations and adult foster care facilities.

DEPARTMENT OF INFORMATION TECHNOLOGY

Sec. 575. (1) Funds appropriated in part 1 for the Michigan public safety communications system shall be expended upon approval of an expenditure plan by the state budget director.

(2) The department of information technology shall assess all subscribers of the Michigan public safety communications system reasonable access and maintenance fees.

(3) All money received by the department of information technology under this section shall be expended for the support and maintenance of the Michigan public safety communications system.

(4) The department of information technology shall provide a report to the senate and house of representatives standing committees on appropriations, the senate and house fiscal agencies, and the state budget director on April 15 and on October 15, indicating the amount of revenue collected under this section and expended for support and maintenance of the Michigan public safety communications system for the immediately preceding 6-month period. Any deposits made under this section and unencumbered funds are restricted revenues and may be carried forward into succeeding fiscal years.

JUDICIAL BRANCH

Sec. 580. (1) The direct trial court automation support program of the state court administrative office shall recover direct and overhead costs from trial courts by charging for services rendered. The fee shall cover the actual costs incurred to the direct trial court automation support program in providing the service, including development of future versions of case management systems. A report of amounts collected in excess of funds identified as user service charges in part 1 shall be submitted to the state budget director and to the house and senate appropriations subcommittees on judiciary 30 days before expenditure by the direct trial court automation support program.

(2) From funds appropriated in part 1, the direct trial court automation support program of the state court administrative office shall provide to the state budget director, the senate and house appropriations committees, and the senate and house fiscal agencies before January 1 of each year, a detailed list of user service charges collected during the immediately preceding state fiscal year.

DEPARTMENT OF LABOR AND ECONOMIC GROWTH

Sec. 600. The funds collected by the office of financial and insurance services in connection with a conservatorship pursuant to section 32 of the mortgage brokers, lenders, and servicers licensing act, 1987 PA 173, MCL 445.1682, shall be appropriated for all expenses necessary to provide for the required services. Funds are available for expenditure when they are received by the department of treasury and shall not lapse to the general fund at the end of the fiscal year.

Sec. 602. The funds collected by the department from corporations being liquidated pursuant to the insurance code of 1956, 1956 PA 218, MCL 500.100 to 500.8302, shall be appropriated for all expenses necessary to provide for the required services. Funds are available for expenditure when they are received by the department of treasury and shall not lapse to the general fund at the end of the fiscal year.

Sec. 604. The department may make available to interested entities otherwise unavailable customized listings of nonconfidential information in its possession, such as names and addresses of licensees, and charge for this information as follows: base fee for 1 to 1,000 records at the cost to the department; 1,001 to 10,000 records at 2.5 cents per record; and 10,001 or more records at .5 cents per record. The revenue received from this service may be used to offset expenses of programs as appropriated in part 1. The balance of this revenue collected and unexpended at the end of the fiscal year shall revert to the appropriate restricted revenue account or fund or, in absence of such an account or fund, to the general fund. The department shall submit an annual report on or before December 1 of each year to the state budget office and the subcommittees that states the amount of revenue received from the sale of information.

Sec. 606. Money appropriated under this article for the bureau of fire services shall not be expended unless, in accordance with section 2c of the fire prevention code, 1941 PA 207, MCL 29.2c, inspection and plan review fees will be charged according to the following schedule:

<u>Operation and maintenance inspection fee</u>	
<u>Facility type</u>	<u>Facility size</u>
Hospitals	Any
	\$8.00 per bed
<u>Plan review and construction inspection fees for hospitals and schools</u>	
<u>Project cost range</u>	<u>Fee</u>
\$101,000.00 or less	minimum fee of \$155.00
\$101,001.00 to \$1,500,000.00	\$1.60 per \$1,000.00
\$1,500,001.00 to \$10,000,000.00	\$1.30 per \$1,000.00
\$10,000,001.00 or more	\$1.10 per \$1,000.00
	or a maximum fee of \$60,000.00.

Sec. 608. The department shall sell documents at a price not to exceed the cost of production and distribution. Money received from the sale of these documents shall revert to the department. The funds are available for expenditure when they are received by the department of treasury and may only be used for costs directly related to the continued updating and distribution of the documents pursuant to this section. This section applies only for the following documents:

- (a) Corporation and securities division documents, reports, and papers required or permitted by law pursuant to section 1060(5) of the business corporation act, 1972 PA 284, MCL 450.2060.
- (b) The subdivision control manual, the state boundary commission operations manual, and other local government assistance manuals.
- (c) The Michigan liquor control code of 1998, 1998 PA 58, MCL 436.1101 to 436.2303.
- (d) The mobile home commission act, 1987 PA 96, MCL 125.2301 to 125.2349; the business corporation act, 1972 PA 284, MCL 450.1101 to 450.2098; the nonprofit corporation act, 1982 PA 162, MCL 450.2101 to 450.3192; and the uniform securities act, 1964 PA 265, MCL 451.501 to 451.818.
- (e) Labor law books.
- (f) Worker's compensation health care services rules.
- (g) Construction code manuals.
- (h) Copies of transcripts from administrative law hearings.

Sec. 610. In addition to the amounts appropriated in part 1 for the administration of the land bank fast track authority, the authority may expend revenues received under the land bank fast track act, 2003 PA 258, MCL 124.751 to 124.774, for the purposes authorized by the act including, but not limited to, the acquisition, lease, management, demolition, maintenance, or rehabilitation of real or personal property, payment of debt service for notes or bonds issued by the authority, and other expenses to clear or quiet title property held by the authority.

Sec. 612. Funds collected by the department under sections 55, 57, 58, and 59 of the administrative procedures act of 1969, 1969 PA 306, MCL 24.255, 24.257, 24.258, and 24.259, and section 203 of the legislative council act, 1986 PA 268, MCL 4.1203, are appropriated for all expenses necessary to provide for the cost of publication and distribution. The funds appropriated under this section are allotted for expenditure when they are received by the department of treasury and shall not lapse to the general fund at the end of the fiscal year.

Sec. 614. The department may carry into the succeeding fiscal year unexpended federal pass-through funds to local institutions and governments that do not require additional state matching funds. Federal pass-through funds to local institutions and governments that are received in amounts in addition to those included in part 1 and that do not require additional state matching funds are appropriated for the purposes intended.

DEPARTMENT OF MANAGEMENT AND BUDGET

Sec. 625. (1) The department of management and budget may receive and expend funds in addition to those authorized by part 1 for maintenance and operation services provided specifically to other principal executive departments or state agencies, the legislative branch, the judicial branch, or private tenants, or provided in connection with facilities transferred to the operational jurisdiction of the department of management and budget.

(2) The department of management and budget may receive and expend funds in addition to those authorized by part 1 for real estate, architectural, design, and engineering services provided specifically to other principal executive departments or state agencies, the legislative branch, or the judicial branch.

(3) The department of management and budget may receive and expend funds in addition to those authorized in part 1 for mail pickup and delivery services provided specifically to other principal executive departments and state agencies, the legislative branch, or the judicial branch.

(4) The department of management and budget may receive and expend funds in addition to those authorized in part 1 for purchasing services provided specifically to other principal executive departments and state agencies, the legislative branch, or the judicial branch.

Sec. 627. (1) The source of financing in part 1 for statewide appropriations shall be funded by assessments against longevity and insurance appropriations throughout state government in a manner prescribed by the department of management and budget. Funds shall be used as specified in joint labor/management agreements or through the coordinated compensation hearings process. Any deposits made under this subsection and any unencumbered funds are restricted revenues, may be carried over into the succeeding fiscal years, and are appropriated.

(2) In addition to the funds appropriated in part 1 for statewide appropriations, the department of management and budget may receive and expend funds in such additional amounts as may be specified in joint labor/management agreements or through the coordinated compensation hearings process in the same manner and subject to the same conditions as prescribed in subsection (1).

CIVIL SERVICE

Sec. 635. (1) All restricted funds shall be assessed a sum not less than 1% of the total aggregate payroll paid from those funds for financing the department of civil service on the basis of actual 1% restricted sources total aggregate payroll of the classified service for fiscal year 2006 in accordance with section 5 of article XI of the state constitution of 1963. This includes, but is not limited to, restricted funds appropriated in part 1 of any appropriations act. Unexpended 1% appropriated funds shall be returned to each 1% fund source at the end of the fiscal year.

(2) The 1% appropriations in part 1 are estimates of actual 1% charges based on payroll appropriations. With the approval of the state budget director, the department is authorized to adjust financing sources for civil service 1% charges based on actual payroll expenditures, provided that such adjustments do not increase the total appropriation for the department of civil service.

(3) The 1% financing from restricted sources shall be credited to the department of civil service by the end of the second fiscal quarter.

Sec. 637. The appropriation in part 1 to the department of civil service, for state-sponsored group insurance, flexible spending accounts, and COBRA, represents amounts, in part, included within the various appropriations throughout state government for the current fiscal year to fund the flexible spending account program included within the department of civil service. Deposits against state-sponsored group insurance, flexible spending accounts, and COBRA for the flexible spending account program shall be made from assessments levied during the current fiscal year in a manner prescribed by the department of civil service. Unspent employee contributions to the flexible spending accounts may be used to offset administrative costs for the flexible spending account program, with any remaining balance of unspent employee contributions to be lapsed to the general fund.

STATE BUILDING AUTHORITY

Sec. 645. (1) Subject to section 242 of the management and budget act, 1984 PA 431, MCL 18.1242, and upon the approval of the state building authority, the department may expend from the general fund of the state during the fiscal year ending September 30, 2008 an amount to meet the cash flow requirements of those state building authority projects solely for lease to a state agency identified in both part 1 and this section, and for which state building authority bonds or notes have not been issued, and for the sole acquisition by the state building authority of equipment and furnishings for lease to a state agency as permitted by 1964 PA 183, MCL 830.411 to 830.425, for which the issuance of bonds or notes is authorized by a legislative concurrent resolution that is effective for the fiscal year ending September 30, 2008. Any general fund advances for which state building authority bonds have not been issued shall bear an interest cost to the state building authority at a rate not to exceed that earned by the state treasurer's common cash fund during the period in which the advances are outstanding and are repaid to the general fund of the state.

(2) Upon sale of bonds or notes for the projects identified in part 1 or for equipment as authorized by legislative concurrent resolution and in this section, the state building authority shall credit the general fund of the state an amount equal to that expended from the general fund plus interest, if any, as defined in this section.

(3) For state building authority projects for which bonds or notes have been issued and upon the request of the state building authority, the state treasurer shall make advances without interest from the general fund as necessary to meet cash flow requirements for the projects, which advances shall be reimbursed by the state building authority when the investments earmarked for the financing of the projects mature.

(4) In the event that a project identified in part 1 is terminated after final design is complete, advances made on behalf of the state building authority for the costs of final design shall be repaid to the general fund in a manner recommended by the director and approved by the JCOS.

Sec. 650. (1) State building authority funding to finance construction or renovation of a facility that collects revenue in excess of money required for the operation of that facility shall not be released to a university or community college unless the institution agrees to reimburse that excess revenue to the state building authority. The excess revenue shall be credited to the general fund to offset rent obligations associated with the retirement of bonds issued for that facility. The auditor general shall annually identify and present an audit of those facilities that are subject to this section. Costs associated with the administration of the audit shall be charged against money recovered pursuant to this section.

(2) As used in this section, "revenue" includes state appropriations, facility opening money, other state aid, indirect cost reimbursement, and other revenue generated by the activities of the facility.

Sec. 660. (1) The state building authority rent appropriations in part 1 may also be expended for the payment of required premiums for insurance on facilities owned by the state building authority or payment of costs that may be incurred as the result of any deductible provisions in such insurance policies.

(2) If the amount appropriated in part 1 for state building authority rent is not sufficient to pay the rent obligations and insurance premiums and deductibles identified in subsection (1) for state building authority projects, there is appropriated from the general fund of the state the amount necessary to pay such obligations.

DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

Sec. 675. The department may charge reasonable rental and equipment usage fees for renting an armory or using the distance-learning network. The fee shall include the cost of overtime compensation, insurance coverage, and any maintenance required.

DEPARTMENT OF NATURAL RESOURCES

Sec. 700. The department may charge both application fees and transaction fees related to the exchange or sale of state-owned land or rights in land authorized by part 21 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.2101 to 324.2162. The fees shall be set by the director at a rate which allows the department to recover its costs for providing these services.

DEPARTMENT OF STATE

Sec. 725. All funds made available by section 3171 of the insurance code of 1956, 1956 PA 218, MCL 500.3171, are appropriated and made available to the department of state to be expended only for the uses and purposes for which the funds are received as provided by sections 3171 to 3177 of the insurance code of 1956, 1956 PA 218, MCL 500.3171 to 500.3177.

Sec. 730. From the funds appropriated in part 1, the department of state shall sell copies of records including, but not limited to, records of motor vehicles, off-road vehicles, snowmobiles, watercraft, mobile homes, personal identification cardholders, drivers, and boat operators and shall charge \$7.00 per record sold only as authorized in section 208b of the Michigan vehicle code, 1949 PA 300, MCL 257.208b, section 7 of 1972 PA 222, MCL 28.297, and sections 80130, 80315, 81114, and 82156 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.80130, 324.80315, 324.81114, and 324.82156. The revenue received from the sale of records shall be credited to the transportation administration collection fund created under section 810b of the Michigan vehicle code, 1949 PA 300, MCL 257.810b.

Sec. 735. From the funds appropriated in part 1, the department of state may restrict funds from miscellaneous revenue to cover cash shortages created from normal branch office operations. This amount shall not exceed \$50,000.00 of the total funds available in miscellaneous revenue.

Sec. 740. (1) Commemorative and specialty license plate fee revenue collected by the department of state and deposited into the transportation administration collection fund is authorized for expenditure up to the amount of revenue collected but not to exceed the amount appropriated to the department of state in part 1 to administer commemorative and specialty license plate programs.

(2) Commemorative and specialty license plate fee revenue collected by the department of state and deposited in the transportation administration collection fund, in addition to the amount appropriated in part 1 to the department of state, shall remain in the transportation administration collection fund and be available for future appropriation.

Sec. 745. (1) Any service assessment collected by the department of state from the user of a credit or debit card under section 3 of 1995 PA 144, MCL 11.23, is appropriated to the department for necessary expenses related to that service and may be remitted to a credit or debit card company, bank, or other financial institution. Funds are allocated for expenditure when they are received by the department of treasury.

(2) The service assessment imposed by the department of state for credit and debit card services may be based either on a percentage of each individual credit or debit card transaction, or on a flat rate per transaction, or both scaled to the amount of the transaction. However, the department shall not charge any amount for a service assessment which exceeds the costs billable to the department for service assessments.

(3) If there is a balance of service assessments received from credit and debit card services remaining on September 30, the balance may be carried forward to the following fiscal year and appropriated for the same purpose.

(4) As used in this section, "service assessment" means and includes costs associated with service fees imposed by credit and debit card companies and processing fees imposed by banks and other financial institutions.

DEPARTMENT OF STATE POLICE

Sec. 750. (1) The state director of emergency management may expend money appropriated under this article to call upon any agency or department of the state or any resource of the state to protect life or property or to provide for the health or safety of the population in any area of the state in which the governor proclaims a state of emergency or state of disaster under 1945 PA 302, MCL 10.31 to 10.33, or under the emergency management act, 1976 PA 390, MCL 30.401 to 30.421. The state director of emergency management may expend the amounts the director considers necessary to accomplish these purposes. The director shall submit to the state budget director as soon as possible a complete report of all actions taken under the authority of this section. The report shall contain, as a separate item, a statement of all money expended that is not reimbursable from federal money. The state budget director shall review the expenditures and submit recommendations to the legislature in regard to any possible need for a supplemental appropriation.

(2) In addition to the money appropriated in this article, the department may receive and expend money from local, private, federal, or state sources for the purpose of providing emergency management training to local or private interests and for the purpose of supporting emergency preparedness, response, recovery, and mitigation activity. If additional expenditure authorization in the Michigan administrative information network is approved by the state budget office under this section, the department and the state budget office shall notify the house and senate appropriations subcommittees on state police and military and veterans affairs and the house and senate fiscal agencies within 10 days after the approval. The notification shall include the amount and source of the additional authorization, the date of its approval, and the projected use of funds to be expended under the authorization.

Sec. 751. The money appropriated in part 1 for computer services shall be funded by LEIN user fees sufficient to pay 1/3 of the service and contract maintenance costs of the LEIN system.

MICHIGAN STRATEGIC FUND

Sec. 775. Travel Michigan may establish and collect a fee to cover the cost of materials and processing of photographic prints, slides, videotapes, and travel product database information that are requested by the media and other segments of the public and private sectors. The fees collected shall be appropriated for all expenses necessary to purchase and distribute these photographic prints, slides, videotapes, and travel product database information. The funds are available for expenditure when they are received by the department of treasury.

Sec. 780. Travel Michigan may receive and expend private revenue related to the use of the “Michigan Great Lakes. Great Times.” and “Pure Michigan.” copyrighted slogans and images. This revenue may come from the direct licensing of the name and image or from the royalty payments from various merchandise sales. Revenue collected is appropriated for the marketing of the state as a travel destination. The funds are available for expenditure when they are received by the department of treasury.

DEPARTMENT OF TRANSPORTATION

Sec. 800. State aeronautics funds appropriated in part 1 for airport safety and protection plan debt service are transferred to the comprehensive transportation fund and are appropriated for the purpose of reimbursing comprehensive transportation fund debt service obligations for the airport safety and protection plan program.

DEPARTMENT OF TREASURY

Sec. 825. (1) Amounts needed to pay for interest, fees, principal, arbitrage rebates as required by federal law, and costs associated with the payment, registration, trustee services, credit enhancements, and issuing costs in excess of the amount appropriated to the department of treasury in part 1 for debt service on notes and bonds that are issued by the state under sections 14, 15, and 16 of article IX of the state constitution of 1963 as implemented by 1967 PA 266, MCL 17.451 to 17.455, are appropriated.

(2) In addition to the amount appropriated to the department of treasury for debt service in part 1, there is appropriated an amount for fiscal year cash-flow borrowing costs to pay for interest on interfund borrowing made under 1967 PA 55, MCL 12.51 to 12.53.

Sec. 826. (1) From the funds appropriated in part 1, the department of treasury may contract with private collection agencies and law firms to collect taxes and other accounts due this state. In addition to the amounts appropriated in part 1 to the department of treasury, there are appropriated amounts necessary to fund collection costs and fees not to exceed 25% of the collections or 2.5% plus operating costs, whichever amount is prescribed by the contract. The appropriation to fund collection costs and fees for the collection of taxes or other accounts due this state are from the fund or account to which the revenues being collected are recorded or dedicated. However, if the taxes collected are constitutionally dedicated for a specific purpose, the appropriation of collection costs and fees are from the general purpose account of the general fund.

(2) From the funds appropriated in part 1, the department of treasury may contract with private collections agencies and law firms to collect defaulted student loans and other accounts due the Michigan guaranty agency. In addition to the amounts appropriated in part 1 to the department of treasury, there are appropriated amounts necessary to fund collection costs and fees not to exceed 22% of the collection or a lesser amount as prescribed by the contract. The appropriation to fund collection costs and fees for the auditing and collection of defaulted student loans due the Michigan guaranty agency is from the fund or account to which the revenues being collected are recorded or dedicated.

(3) The department of treasury shall submit a report for the immediately preceding fiscal year ending September 30 to the state budget director and the senate and house of representatives standing committees on appropriations not later than November 30 stating the agencies or law firms employed, the amount of collections for each, the costs of collection, and other pertinent information relating to determining whether this authority should be continued.

Sec. 827. (1) There is appropriated an amount sufficient to recognize and pay expenditures for financial services provided by financial institutions as provided under section 1 of 1861 PA 111, MCL 21.181.

(2) The appropriations under subsection (1) shall be funded by restricting revenues from common cash interest earnings and investment earnings in an amount sufficient to record these expenditures.

Sec. 828. A plaintiff in a garnishment action involving this state shall pay to the state treasurer 1 of the following:

(a) A fee of \$6.00 at the time a writ of garnishment of periodic payments is served upon the state treasurer, as provided in section 4012 of the revised judicature act of 1961, 1961 PA 236, MCL 600.4012.

(b) A fee of \$6.00 at the time any other writ of garnishment is served upon the state treasurer, except that the fee shall be reduced to \$5.00 for each writ of garnishment for individual income tax refunds or credits filed by magnetic media.

Sec. 829. From funds appropriated in part 1, the department of treasury may contract with private auditing firms to audit for and collect unclaimed property due this state in accordance with the Michigan uniform unclaimed property act. In addition to the amounts appropriated in part 1 to the department of treasury, there are appropriated amounts necessary to fund auditing and collection costs and fees not to exceed 12% of the collections, or a lesser amount as prescribed by the contract. The appropriation to fund collection costs and fees for the auditing and collection of unclaimed property due this state is from the fund or account to which the revenues being collected are recorded or dedicated.

Sec. 830. The department of treasury may provide receipt, warrant and cash processing, data, collection, investment, fiscal agent, levy and warrant cost assessment, writ of garnishment, and other user services on a contractual basis for other principal executive departments and state agencies. Funds for the services provided are appropriated and shall be expended for salaries and wages, fees, supplies, and equipment necessary to provide the services. Any unobligated balance of the funds received shall revert to the general fund of this state as of September 30.

Sec. 831. Revenue received under the Michigan education trust act, 1986 PA 316, MCL 390.1421 to 390.1442, may be expended by the board of directors of the Michigan education trust for necessary salaries, wages, supplies, contractual services, equipment, worker's compensation insurance premiums, and grants to the civil service commission and state employees' retirement fund.

Sec. 832. The department of treasury may expend revenues received under the hospital finance authority act, 1969 PA 38, MCL 331.31 to 331.84, for necessary salaries, wages, supplies, contractual services, equipment, worker's compensation insurance premiums, and grants to the civil service commission and state employees' retirement fund. The department of treasury shall maintain accounting records in sufficient detail to enable the hospital clients to be reimbursed periodically for fees that are determined by the department of treasury to be surplus to needs.

Sec. 833. The department of treasury may expend revenue received under the shared credit rating act, 1985 PA 227, MCL 141.1051 to 141.1076, for necessary salaries, wages, supplies, contractual services, equipment, worker's compensation insurance premiums, and grants to the civil service commission and state employees' retirement fund.

Sec. 834. The department of treasury shall establish a separate account for the funds related to the Michigan higher education facilities authority. The department of treasury may expend revenue received under the higher education facilities authority act, 1969 PA 295, MCL 390.921 to 390.934, for necessary salaries, wages, supplies, contractual services, equipment, worker's compensation insurance premiums, and grants to the civil service commission and state employees' retirement fund. The department of treasury shall maintain accounting records in sufficient detail to enable the educational institution clients to be reimbursed periodically for fees that are determined by the department to be surplus to needs.

Sec. 835. The department of treasury may expend revenues received under the Michigan public educational facilities authority, Executive Order No. 2002-3, for necessary salaries, wages, supplies, contractual services, equipment, worker's compensation insurance premiums, and grants to the civil service commission and state employees' retirement fund.

Sec. 836. In addition to the funds appropriated in part 1 to the bureau of state lottery, there is appropriated from lottery revenues the amount necessary for, and directly related to, implementing and operating lottery games. Appropriations under this section shall only be expended for contractually mandated payments for vendor commissions, contractually mandated payments for instant tickets intended for resale, the contractual costs of providing and maintaining the on-line system communications network, and incentive and bonus payments to lottery retailers.

Sec. 837. In addition to the funds appropriated in part 1, funds distributed by the Michigan gaming control board to the department of treasury for oversight of casino gaming are appropriated upon receipt. These funds may be used to pay for costs incurred for casino gaming oversight activities.

Sec. 838. (1) Funds appropriated in part 1 for local government programs may be used to provide assistance to a local revenue sharing board referenced in an agreement authorized by the Indian gaming regulatory act, Public Law 100-497.

(2) A local revenue sharing board described in subsection (1) shall comply with the open meetings act, 1976 PA 267, MCL 15.261 to 15.275, and the freedom of information act, 1976 PA 442, MCL 15.231 to 15.246.

(3) A county treasurer is authorized to receive and administer funds received for and on behalf of a local revenue sharing board. Funds appropriated in part 1 for local government programs may be used to audit local revenue sharing board funds held by a county treasurer. This section does not limit the ability of local units of government to enter into agreements with federally recognized Indian tribes to provide financial assistance to local units of government or to jointly provide public services.

(4) The director of the department of state police and the executive director of the Michigan gaming control board are authorized to assist the local revenue sharing boards in determining allocations to be made to local public safety organizations.

(5) The department of treasury shall submit a report by September 30 to the senate and house of representatives standing committees on appropriations and the state budget director on the receipts and distribution of revenues by local revenue sharing boards.

REVENUE STATEMENT

Sec. 850. Pursuant to section 18 of article V of the state constitution of 1963, fund balances and estimates are presented in the following statement:

BUDGET RECOMMENDATIONS BY OPERATING FUNDS
(Amounts in millions)
Fiscal Year 2007-2008

	Fund	Beginning Unreserved Fund Balance	Estimated Revenue	Ending Balance
OPERATING FUNDS				
General fund/general purpose	0110	2.1	9,657.1	46.2
General fund/special purpose		516.6	15,600.2	1,197.0
Special Revenue Funds:				
Countercyclical budget and economic stabilization.....	0111	2.1	0.0	2.2
Game and fish protection	0112	22.5	63.2	0.0
Michigan employment security act administration.....	0113	0.0	14.0	8.6
State aeronautics.....	0114	1.7	181.4	0.3
Michigan veterans' benefit trust.....	0115	0.0	5.0	0.0
State trunkline.....	0116	0.0	2,074.5	0.0
Michigan state waterways	0117	0.8	26.1	1.3
Blue Water Bridge	0118	0.0	15.7	0.0
Michigan transportation.....	0119	0.0	2,002.6	0.0
Comprehensive transportation	0120	0.0	320.9	0.0
School aid.....	0122	0.0	13,431.9	0.0
Marine safety	0123	0.1	5.3	0.0
Game and fish protection trust.....	0124	6.6	12.0	6.0
State park improvement	0125	1.3	40.8	0.0
Forest development.....	0126	0.0	27.3	0.0
Michigan civilian conservation corps endowment	0128	0.1	0.7	0.0
Michigan natural resources trust.....	0129	33.6	53.2	37.4
Michigan state parks endowment	0130	8.8	16.6	6.7
Safety education and training	0131	2.1	7.0	1.1
Bottle deposit.....	0136	0.0	15.1	0.0
State construction code	0138	2.9	12.7	0.0
Children's trust.....	0139	1.8	3.8	2.2
State casino gaming	0140	12.5	32.8	0.0
Homeowner construction lien recovery	0141	2.9	0.6	1.8
Michigan nongame fish and wildlife	0143	0.2	0.6	0.0
Michigan merit award trust.....	0154	0.0	289.1	0.1
TOTALS		\$618.7	\$43,910.2	\$1,311.0

Enacting section 1. This act does not take effect unless House Bill No. 5194 of the 94th Legislature is enacted into law.

Enacting section 2. This act does not take effect unless either House Bill No. 5198 or all of the following bills of the 94th Legislature are enacted into law:

- (a) House Bill No. 5252.
- (b) House Bill No. 5253.
- (c) House Bill No. 5254.
- (d) House Bill No. 5255.
- (e) House Bill No. 5256.

This act is ordered to take immediate effect.

Carol Morey Viventi

Secretary of the Senate

Richard J. Brown

Clerk of the House of Representatives

Approved

.....
Governor